



DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

[Docket #FAA-2022-1797]

FY 2022 Competitive Funding Opportunity: Airport Improvement Program Supplemental Discretionary Grants

AGENCY: Federal Aviation Administration (FAA), Department of Transportation.

ACTION: Notice of funding opportunity.

SUMMARY:

The Federal Aviation Administration (FAA) announces the opportunity to apply for approximately \$268,728,965 in fiscal year (FY) 2022 competitive supplemental discretionary grants. The purpose of the supplemental discretionary grant program is to make grants to eligible airports for airport construction projects, associated airport capital planning, noise planning and noise mitigation projects, and energy and environmental sustainability projects. FAA will implement the FY 2022 supplemental discretionary grant program consistent with Airport Improvement Program (AIP) sponsor and project eligibility and will consider project applications that align with the priorities, limitations, and requirements described in this notice.

DATES:

Airport sponsors that wish to be considered for FY 2022 supplemental discretionary funding should submit an application that meets the requirements of this Notice of Funding Opportunity (NOFO) as soon as possible, but no later than 5 p.m. eastern time on Tuesday, January 31, 2023. Submit applications to the specified FAA Supplemental 2022 NOFO mailbox per instructions in section D below. Additional project information may be required after the original application submission date. FAA may contact the grant applicant for any additional information required for an initial project evaluation based on the application submission.

FOR FURTHER INFORMATION CONTACT: David F. Cushing, Manager, Airports Financial Assistance Division, APP-500, at (202) 267-8827.

SUPPLEMENTARY INFORMATION:

A. Program Description

This competitive supplemental discretionary grant program falls under the project grant authority for the Airport Improvement Program (AIP) in 49 United States Code (U.S.C.) 47104. Per 2 Code of Federal Regulations (CFR) part 200 - *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, the AIP Federal Assistance Listings Number is 20.106, with the objective of assisting eligible airports in the development and improvement of a nationwide system that adequately meets the needs of civil aeronautics.

Public Law 117-103, Consolidated Appropriations Act, 2022, authorizes the Secretary of Transportation to issue grants for projects as authorized by subchapter 1 of chapter 471 and subchapter 1 of chapter 475 of title 49, U.S.C., in a total amount of supplemental funding of \$554,180,000, to remain available through September 30, 2024. Of this total made available, and as stipulated in Public Law 117-103 and the accompanying Joint Explanatory Statement (JES),

Congress sets aside up to \$2,770,900 (0.5 percent) for administrative expenses and up to \$3,500,000 to reimburse losses related to Temporary Flight Restrictions. After these initial set-asides, \$547,909,100 remains available for discretionary grants.

Of the total made available, \$279,180,135 is available for the purposes, and in amounts, specified for Community Project Funding/Congressionally Directed Spending as stipulated in Public Law 117-103 and the JES. This Congressionally Directed Spending identified specific projects at specific airports and thus is not part of this NOFO.

As such, per the provisions of Public Law 117-103 and the JES discussed above, funds remaining after those set-asides shall be available to the Secretary of Transportation to distribute as discretionary grants to airports, as authorized by subchapter 1 of chapter 471 and subchapter 1 of chapter 475 of title 49, U.S.C. Accordingly, at least \$268,728,965 is available under this NOFO.

Notably, the JES directs FAA to adhere to 49 U.S.C. 47115(j)(3)(B), requiring FAA to make available not less than 50 percent of the funds for grants at nonhub, small hub, reliever, and nonprimary airports. Furthermore, the JES directs the FAA to prioritize the remaining 50 percent of funds for grants at medium hub and large hub airports. This 50 percent applies to the amount of Supplemental Funding available for grants of \$547,909,100, including Community Project Funding/Congressionally Directed Spending, which is not the subject of this NOFO. This results in no less than approximately \$20,000,000 available for supplemental discretionary grants to nonhub, small hub, reliever, and nonprimary airports. FAA intends to award no more than \$70,000,000 to comply with the JES.

At least \$25,000,000 will be made available for the Voluntary Airport Low Emissions Program (VALE) and the Zero-Emission Vehicle and Infrastructure Program (ZEV), pursuant to the JES. The JES also directs FAA to ensure that funds are made available to reduce the impact of noise on local communities, including funding grants for noise planning and noise mitigation.

Eligible project categories are described in detail in the section C. Eligibility, sub-section 3. Project Eligibility.

Consistent with statutory criteria and E.O. 14008, *“Tackling the Climate Crisis at Home and Abroad”* (86 FR 7619), FAA seeks to fund projects that align with the President’s greenhouse gas reduction goals, promote energy efficiency, support fiscally responsible land use and efficient transportation design, support terminal development compatible with the use of sustainable aviation fuels and technologies, increase climate resilience, incorporate sustainable and less emissions-intensive pavement and construction materials wherever possible, and reduce pollution. This focus extends beyond the \$25,000,000 set aside for VALE and ZEV project grants. This funding supports FAA’s Climate Challenge, as described herein and at this link: https://qa-www.faa.gov/sites/aa.gov/files/airports/environmental/zero_emissions_vehicles/airports-climate-challenge-presentation-April2022.pdf.

In addition, in support of E.O. 13985, *“Advancing Racial Equity and Support for Underserved Communities Through the Federal Government”* (86 FR 7009), FAA seeks to fund projects that address the challenges faced by individuals in underserved communities and to pursue emission reductions that fight climate change and improve air quality in over-burdened communities. This includes, pursuant to the JES, funding noise projects, including noise planning and noise mitigation in neighborhoods impacted by aircraft noise near airports. To the extent that projects

impact terminal and land-side elements, FAA seeks to fund projects that accommodate persons with disabilities accessing aviation services or airport employment.

Section E provides more information on the specific measures a project may undertake to support these goals.

All projects must comply with Federal civil rights requirements. See section F.2 of this NOFO for program requirements.

B. Federal Award Information

This NOFO announces approximately \$268,728,965, subject to the availability of funds, for supplemental discretionary grants. From FY 2018 through FY 2021, over 550 supplemental discretionary grants were awarded, totaling approximately \$2.3 billion. The discretionary grants ranged in amount from \$160,397 to \$29,115,000. The average AIP supplemental discretionary grant was approximately \$5,200,000. The amount available under this NOFO is significantly less than prior years' competitive appropriation. Those supplemental discretionary appropriations ranged from \$400 million to \$1 billion.

Under 49 U.S.C. 47115(j)(3)(B), not less than 50 percent of the funds made available shall be for grants at nonhub, small hub, reliever, and nonprimary airports. Furthermore, the JES directs the FAA to prioritize the remaining 50 percent of funds for grants at medium hub and large hub airports. This 50 percent applies to the amount of Supplemental Funding available for grants of \$547,909,100, including Community Project Funding/Congressionally Directed Spending, which are not the subject of this NOFO. This results in a range of available funding of approximately \$20,000,000 to \$70,000,000 available for supplemental discretionary grants to nonhub, small hub, reliever, and nonprimary airports.

In addition, the JES directs at least \$25,000,000 be made available for Voluntary Airport Low Emissions (VALE) projects and Zero-Emissions Vehicles (ZEV) projects. These funds do not affect the funding available as part of annual AIP funding outside of this NOFO. The JES also directs FAA to ensure that AIP funds are made available to reduce the impact of noise on local communities.

The FAA will prioritize funding projects that are complete usable-units-of-work, to include construction of eligible airport development, acquisition and installation of eligible equipment, acquisition and commissioning of eligible rolling-stock equipment, procurement of actionable plans, including sustainability plans, energy planning and noise compatibility planning as described in section C.3 of this NOFO.

Selected projects should be ready to go to grant according to AIP requirements, including such things as National Environmental Policy Act (NEPA) clearance, Federal civil rights compliance, construction bids or negotiated fees, by May 15, 2024, but may go to grant at any time post-award.

C. Eligibility Information

1. Eligible Applicants

Eligible applicants are those airport sponsors normally eligible for AIP discretionary grants as defined in 49 U.S.C. 47115, which includes a public agency, private entity, state agency, Indian

Tribe or Pueblo owning a public-use NPIAS airport, the Secretary of the Interior for Midway Island Airport, the Republic of the Marshall Islands, Federated States of Micronesia, and the Republic of Palau.

2. Cost Sharing or Matching

Grants have Federal shares ranging from 70 percent to 95 percent under 49 U.S.C. 47109. The Federal share percentage is based on the airport size and type of project. Federal share by airport and project type can be found in chapter 4 of the AIP Handbook, FAA Order 5100.38D, February 26, 2019.

3. Project Eligibility

Projects should be ready to begin by/on June 30, 2024. Supplemental discretionary funds are awarded in accordance with 49 U.S.C. 47115(j).

Eligible projects include, but are not limited to:

- a. Improvements related to enhancing airport safety, capacity, security, environmental sustainability, planning, or any combination of the above, including terminal development;
- b. Planning for the feasibility of and options for unleaded aviation fuel infrastructure;
- c. Airport projects associated with pavement rehabilitation, reconstruction, and extension of the pavement's useful life;
- d. Noise planning and noise mitigation;
- e. Projects to plan for, relocate, and/or construct run-up locations to reduce community exposure to emissions from leaded aviation fuel usage;
- f. Other emission reduction projects.

In further support of FAA's Climate Challenge, supplemental discretionary funds are available for certain low-emission fuel system or air quality improvement projects such as Voluntary Airport Low Emissions (VALE) projects and Zero-Emissions Vehicles (ZEV) projects, as well as energy efficiency, energy resiliency and sustainability projects.

VALE is a competitive program that provides grant funding to commercial airports implementing clean technology projects that improve air quality in non-attainment and maintenance areas. See <https://www.faa.gov/airports/environmental/vale/>. ZEV is a competitive program that provides grant funding to acquire zero-emissions vehicles and associated infrastructure for any airport in the National Plan of Integrated Airport Systems (NPIAS). See https://www.faa.gov/airports/environmental/zero_emissions_vehicles/.

Applicants should submit an application specifically referencing all requirements in this NOFO to be considered for supplemental discretionary funding, even if the applicant previously applied for funding under FY 2022 AIP.

Examples of eligible energy and sustainability project categories that support FAA's Climate Challenge are:

- a. Airport Sustainability Planning Program – provides grant funding for eligible airports to develop comprehensive sustainability plans. Based on the authority of 49 U.S.C. 47102(5), such plans may address a broad array of environmental and energy planning activities, green construction and operations, energy efficiency, and renewable energy. Consistent with E.O. 14008, a sustainability plan also can address climate resiliency.

Additional information is available at
<https://www.faa.gov/airports/environmental/sustainability/>.

- b. Energy Efficiency of Airport Power Sources Program – provides grant funding for energy assessments/audits and implementation of energy reduction measures to reduce energy consumption across airport operations. Eligibility is based on Energy Efficiency of Airport Power Sources projects eligibility per 49 U.S.C. 47140(a)(b), and details are contained in the AIP Handbook section 7, which is available at https://www.faa.gov/airports/aip/aip_handbook/media/AIP-Handbook-Order-5100-38D-Chg1.pdf.
- c. Energy Supply, Redundancy and Microgrids Program – provides grant funding that can be used to improve the reliability and efficiency of the airport power supply. Eligibility is based on Energy Supply, Redundancy and Microgrids projects eligibility under 49 U.S.C. 47102(3)(P). Additional information is available at <https://www.faa.gov/airports/environmental/>.

Also, pursuant to the JES, noise planning and noise mitigation projects have priority. More information on noise planning and noise mitigation projects, and their eligibility criteria, can be found at https://www.faa.gov/airports/environmental/airport_noise/ and in appendix R of the AIP Handbook, which is available at https://www.faa.gov/airports/aip/aip_handbook/media/AIP-Handbook-Order-5100-38D-Chg1.pdf.

Additional funding considerations specific to supplemental discretionary funds are described in section B, Federal Award Information, of this NOFO.

D. Application and Submission Information

1. Address to Request Application Package.

Application forms are available at https://www.faa.gov/airports/aip/aip_supplemental_appropriation. All applications must include the “Type of Project” identifier indicated in section D.2 in Box 2: “Other” of the applications form.

Direct all administrative inquiries regarding applications to the appropriate Regional Office (RO) or Airports District Office (ADO). RO/ADO contact information is available at https://www.faa.gov/about/office_org/headquarters_offices/arp/offices/regional_offices. For specific technical questions about environmental programs, please see section G for contact information.

2. Content and Form of Application Submission

For content and application information, reference Standard Operating Procedure for FAA Review and Approval of an Airport Improvement Program (AIP) Grant Application, which is available at <https://www.faa.gov/sites/faa.gov/files/airports/resources/sops/arp-sop-600-grant-application.pdf>.

All applications must be submitted electronically following instructions to the following mailbox: 9-ARP-AIPSupp@Faa.gov

All applications must include the following information:

- a. Identify the type of project to which the grants applications refers (select only one group):
 - Group N: airport noise planning and noise mitigation projects
 - Group E: environmental projects that reduce emissions or increase energy efficiency or reliability as described in section C.3, Eligibility
 - Group VZ: VALE/ZEV projects; or
 - Group I: airport development or terminal development projects, including planning for such development.
- b. Where applicable, competitive applications for such projects should include specific provisions incorporating sustainable, less emissions-intensive pavement and construction materials as allowable and should describe construction practices that reduce pollution.
- c. The grant applications may be based on estimates. However, FAA may request additional information, including bids or firm cost determinations, substantiation of greenhouse gas or emissions reductions, and associated requirements.
- d. Airports covered under FAA's State Block Grant Program should coordinate with their associated state agencies and submit project applications via the procedures noted herein to the specified mailbox.
- e. All project applications to the VALE and ZEV programs should have the Group VZ designation. Applications for all VALE and ZEV projects must address the requirements listed on their respective web pages. Refer to the link listed below for the respective programs:
 - VALE: <https://www.faa.gov/airports/environmental/vale>
 - ZEV: https://www.faa.gov/airports/environmental/zero_emissions_vehicles

In addition, the following information must be included for the specific group.

For Group N applications:

- a. Describe how noise compatibility planning and/or mitigation has or will meaningfully engage communities affected by aviation noise emissions, with effective public participation that is accessible to all persons regardless of race, creed, color, national origin, disability, age, or sex.
- b. Describe any public involvement plan or targeted outreach, demonstrating engagement of diverse input such as community-based organizations during project planning and consideration of such input in the decision-making
- c. With regard to noise projects, including noise planning and noise mitigation, how the project aligns with E.O. 13985, "*Advancing Racial Equity and Support for Underserved Communities Through the Federal Government*" (86 FR 7009).

For Group E or Group VZ applications:

- a. Identification of the specific program under which the project fits (i.e., VALE; ZEV; Airport Sustainability, Energy Efficiency of Airport Power Sources; or Energy Supply, Redundancy and Microgrids);
- b. A description of the project and the benefits the project will provide;
- c. Cost estimate;
- d. Total Project Cost per tons of emissions reductions, as applicable;

- e. Estimated reduction of greenhouse gas that the project (other than proposals for plans and audits only) will produce, relative to a no-action baseline, including average annual amount and estimated amount over the project lifetime, and a description of the methodology and tool used to calculate the estimated greenhouse gas reduction;
- f. Other environmental sustainability benefits with regard to energy resiliency, efficiency, or reliability, such as through incorporation of specific design elements that address resiliency to climate change impacts; and
- g. Description of the degree to which the project addresses the disproportionate negative environmental impacts of transportation on disadvantaged communities, consistent with environmental justice and civil rights authorities.

For Group I applications:

- a. Describe how the project will incorporate considerations of climate change and environmental justice in the planning stage and in project delivery, such as through incorporation of specific design elements that address climate change impacts.
- b. Describe the degree to which the project is expected to reduce transportation-related pollution, such as air pollution and greenhouse gas emissions relative to a no-action baseline, increase use of lower-carbon travel modes such as active transportation, improve the resiliency of at-risk infrastructure, incorporate lower-carbon pavement and construction materials and techniques, or address the disproportionate negative environmental impacts of transportation on disadvantaged communities.
- c. Explain to what extent the project will prevent stormwater runoff that would be a detriment to aquatic species.
- d. Describe whether the project will promote energy efficiencies, support fiscally responsible land use and transportation efficient design that reduces greenhouse gas emissions, improve public health, increase resilience to hazards, and recycle or redevelop brownfield sites, particularly in communities that disproportionately experience climate-change-related consequences. Such project features support FAA's Climate Challenge and adhere to the requirements of E.O. 14008, "*Tackling the Climate Crisis at Home and Abroad*" (86 FR 7619).
- e. Describe how the project has or will meaningfully engage communities affected by the project, with effective public participation that is accessible to all persons regardless of race, creed, color, national origin, disability, age, or sex, consistent with Federal civil rights requirements, and describe how community feedback will be taken into account in decision-making. Civil rights considerations should be integrated into planning, development, and implementation of transportation investments, including application of the Disadvantaged Business Enterprise (DBE) Program.
- f. Describe any public involvement plan or targeted outreach, demonstrating engagement of diverse input such as community-based organizations during project planning and consideration of such input in the decision-making. (please see DOT's Promising Practices for Meaningful Public Involvement in Transportation Decision-Making at <https://www.transportation.gov/priorities/equity/promising-practices-meaningful-public-involvement-transportation-decision-making>)
- g. Describe planning and engagement in the project design phase to mitigate and, to the greatest extent possible, prevent physical and economic displacement. These efforts display adherence to E.O. 13985, "*Advancing Racial Equity and Support for Underserved Communities Through the Federal Government*" (86 FR 7009).

3. Unique Entity Identifier and System for Award Management (SAM)

Applicants must comply with 2 CFR part 25 – *Universal Identifier and System for Award Management*. All applicants must have a Unique Entity Identifier (UEI) provided by SAM. Additional information about obtaining a UEI and registration procedures may be found at the SAM website (currently at <http://www.sam.gov>). Each applicant is required to: (1) be registered in SAM; (2) provide a valid UEI prior to grant award; and (3) continue to maintain an active SAM registration with current information at all times during which the applicant has an active Federal award or an application or plan under consideration by FAA. Under the supplemental discretionary grant program, the UEI and SAM account must belong to the entity that has the legal authority to apply for, receive, and execute supplemental discretionary grants.

Once awarded, the FAA grant recipient must maintain the currency of its information in SAM until the recipient submits the final financial report required under the grant or receives the final payment, whichever is later. A grant recipient must review and update the information at least annually after the initial registration and more frequently if required by changes in information or another award term.

FAA may not make an award until the applicant has complied with all applicable UEI and SAM requirements. If an applicant has not fully complied with the requirements by the time FAA is ready to make an award, FAA may determine that the applicant is not qualified to receive an award and use that determination as a basis for making a Federal award to another applicant.

Non-Federal entities that have received a Federal award are required to report certain civil, criminal, or administrative proceedings to SAM (currently the Federal Awardee Performance and Integrity Information System (FAPIIS): <https://sam.gov/content/fapiis>) to ensure registration information is current and complies with Federal requirements. Applicants should refer to 2 CFR 200.113 for more information about this requirement.

4. Submission Dates and Times

Airports that want to be considered for FY 2022 AIP competitive supplemental discretionary funding should submit an application that meets the requirements of this NOFO as soon as possible, but no later than 5 p.m. eastern time on Tuesday, January 31, 2023. The grant applications may be based on estimates. However, FAA may request additional information, including bids or firm cost determinations, State letters of emission reduction eligibility (VALE projects), substantiation of greenhouse gas or emissions reductions, and other associated requirements.

5. Funding Restrictions

Under 49 U.S.C. 47115, projects must meet airport and project eligibility criteria. Eligibility is derived from statute and may include projects to enhance airport safety, capacity, security, and the environment or any combination of the above. In general, sponsors may receive AIP funds for most airfield capital improvements, and in specific situations, for terminals, hangars, equipment, and non-aeronautical development. Operational costs - such as salaries, equipment, and supplies - are not eligible for AIP grants.

The AIP has funding restrictions by airport and/or project type, including for all groups of projects discussed herein. Please see below criteria and refer to AIP Handbook, chapters 3 and 4, for further details on eligibility criteria and funding restrictions, which is available at

https://www.faa.gov/airports/aip/aip_handbook/. The AIP Handbook is the published policy for AIP. Except where options are specifically noted or where non-mandatory language is used, the procedures and requirements are mandatory. The general requirements for project funding include considerations of: project eligibility; project justification; good title of airport property; an FAA-approved airport layout plan (if applicable); a complete intergovernmental review; airport-user consultations; complete required environmental reviews; a determination that the grant will yield a usable unit of work; certification that the project specification will meet FAA standards; applicable cost justifications; and a work plan to complete the project without unreasonable delay.

See AIP Handbook, section B, Federal Award Information, for specific mandatory program set-asides. Also see section C for eligibility details for project categories under this NOFO. Environmental sustainability and energy projects associated with the Climate Challenge may have additional funding restrictions, which are described in the program website links in section C.

E. Application Review Information

1. Criteria

General:

All applications will be rated using the following criteria:

- a. Projects are subject to the availability of funds
- b. Projects must meet the eligibility requirements identified in section C.3 of this NOFO
- c. Projects must be ready to begin by/on June 30, 2024.
- d. FAA will evaluate and administer these supplemental discretionary applications consistent with the statutory criteria as described in 49 U.S.C. 47115. Under 49 U.S.C. 47115(d), capacity enhancement projects have additional considerations, including a project's impact on national transportation system capacity, airport capacity, and global air cargo activity.
- e. Prerequisites for selection are: the capital improvement project is included in the airport's approved layout plan (if applicable), an environmental determination, and all necessary airspace studies. Prerequisites must be met in order for grant funding to be released.

In addition, FAA seeks to support the creation of good-paying jobs with the free and fair choice to join a union and the incorporation of strong labor standards and workforce programs, in particular, registered apprenticeships and labor management partnerships. Projects that incorporate such planning considerations are expected to support a strong economy and labor market. Projects that have not sufficiently considered job creation and labor considerations in their planning, as determined by FAA, will be required to do so to the full extent possible under the law before receiving funds for construction.

Finally, FAA will consider the readiness of the project to be completed within a four-year period of performance.

Group-specific criteria:

The following are criteria specific to each group:

Group N: Noise and noise planning projects may be ranked amongst themselves under the following criteria:

- a. The extent to which the noise compatibility program or mitigation improves quality of life for residents within areas not compatible with aviation noise. This includes the extent to which the project engages diverse people and communities and meaningfully integrates equity considerations and community input into noise compatibility planning.
- b. Demonstrated strong collaboration and support among a broad range of stakeholders, including community-based organizations, other public or private entities, and homeowners and resident associations.
- c. With regard to noise projects, including noise planning and noise mitigation, FAA seeks to fund noise projects in alignment with E.O. 13985, “*Advancing Racial Equity and Support for Underserved Communities Through the Federal Government*” (86 FR 7009).

Groups E or VZ: Energy and environmental sustainability projects, as mentioned in section C.3 Project Eligibility, may be ranked amongst themselves according to their standard National Priority Rating (NPR) or primarily by emission reduction efficiency as stated by Congress for ZEV projects (49 U.S.C. 47136).

In addition, FAA will consider the following criteria:

- a. Cost per ton of emission reduction for criteria pollutants and greenhouse gases, as applicable. Criteria pollutants are codified in Clean Air Act standards at 40 CFR part 50 and are referred to as NAAQS, National Primary and Secondary Ambient Air Quality Standards;
- b. Cost to design, contract and implement the project;
- c. Estimated reduction in energy use or estimated energy production;
- d. Estimated reduction in greenhouse gas emissions relative to a no-action baseline, which should include average annual amount as well as the estimated amount over a project lifetime;
- e. Useful life of the improvements or infrastructure;
- f. Benefits to communities beyond the airport; and
- g. Resiliency and redundancy benefits that enhance operability or increase the ability to utilize energy sources with less greenhouse gas emissions.

Rating such projects in this manner will assist FAA to advance project grant awards consistent with general AIP sponsor and project eligibility, and with due consideration of project applications in alignment with the priorities in E.O. 14008, “*Tackling the Climate Crisis at Home and Abroad*” and in support of FAA’s Climate Challenge.

In addition to the degree to which the project reduces emissions, as described above, FAA will consider the extent to which the project improves quality of life near the airport. FAA will consider the extent to which the project benefits a historically disadvantaged community or population, or areas of persistent poverty, as expressed in the President’s January 20, 2021, E.O. 13985, “*Advancing Racial Equity and Support for Underserved Communities Through the Federal Government.*”

Group I: Among all other airport improvement projects, FAA will apply the standard National Priority System (NPS) equation to calculate the NPR, a quantitative measure used for ranking project importance for discretionary grants.

FAA will also consider:

- a. How the project incorporates climate change, environmental justice, and equity in the planning stage and in project delivery, such as through incorporation of specific design elements that address climate change impacts.
- b. The degree to which the project is expected to reduce transportation-related pollution compared to a no-action baseline, including reduction of greenhouse gas emissions; to increase use of lower-carbon travel modes such as active transportation; to improve the resiliency of at-risk infrastructure; to incorporate lower-carbon pavement and construction materials and techniques; and to address the disproportionate negative environmental impacts of transportation on disadvantaged communities.
- c. To what extent the project will prevent stormwater runoff.
- d. To what extent the project will promote energy efficiencies, support fiscally responsible land-use, employ efficient transportation design that reduce greenhouse gas emissions, improve public health, increase resilience to hazards, and recycle or redevelop brownfield sites, particularly in communities that disproportionately experience climate-change-related consequences.

Rating such projects in this manner will assist FAA to advance project grant awards consistent with general AIP sponsor and project eligibility, and with due consideration of project applications in alignment with the priorities in E.O. 14008, *“Tackling the Climate Crisis at Home and Abroad”* and in support of FAA’s Climate Challenge.

This is described further in section E.2, Review and Selection Process, of this NOFO.

2. Review and Selection Process

FAA will evaluate how well the projects meet the criteria in E.1, including project eligibility, justification, readiness, and the availability of matching funds.

While FAA will consider the NPR in determining a project’s priority, FAA will also assess qualitative factors such as project justification and priority project identification. FAA will consider whether the project justification includes Safety or Security, System Capacity, Environment, and Access. Qualitative factors do not impact the NPR for a given project but are taken into account in funding decisions.

In particular, FAA will prioritize projects that advance the goals of E.O. 14008, *“Tackling the Climate Crisis at Home and Abroad.”* E.O. 14008 aims to put the United States on a path to achieve net-zero emissions, economy-wide no later than 2050. E.O. 14008 promotes sustainable infrastructure and emphasizes that Federal infrastructure investment should reduce climate pollution, and that the effects of greenhouse gas emissions and climate change should be considered. E.O. 14008 also addresses climate action plans, data and information to improve adaptation and increase resilience. In FAA’s Aviation Climate Action Plan, chapter 5, one of the key actions is to develop a resilience framework for airports through research and potential grant funding (see: https://www.faa.gov/sites/faa.gov/files/2021-11/Aviation_Climate_Action_Plan.pdf). The review and selection process will take into consideration these E.O. 14008 goals that also support FAA’s Climate Challenge. FAA will also consider projects that advance the goals of the following EO: the President’s January 20, 2021, E.O. 13985, *“Advancing Racial Equity and Support for Underserved Communities Through the Federal Government”*; the President’s May 20, 2021, E.O. 14030, *“Climate Related Financial Risk”*; and the President’s July 9, 2021, E.O. 14036, *“Promoting Competition in the American Economy.”*

3. Integrity and Performance Check

Prior to making a Federal award with a total amount of Federal share greater than the simplified acquisition threshold, FAA is required to review and consider any information about the applicant that is in the designated integrity and performance system accessible through SAM (currently FAPIIS) (see 41 U.S.C. 2313). An applicant, at its option, may review information in the designated integrity and performance systems accessible through SAM and comment on any information about itself that a Federal awarding agency previously entered. FAA will consider any comments by the applicant, in addition to the other information in the designated integrity and performance system, in making a judgment about the applicant's integrity, business ethics, and record of performance under Federal awards when completing the review of risk posed by applicants as described in 2 CFR 200.206.

F. Federal Award Administration Information

1. Federal Award Notices

Supplemental discretionary grant awards are announced through a Congressional notification process and the Secretary's Notice of Intent to Fund. The FAA RO/ADO representative will contact the airport with further information and instructions. Once all pre-grant actions are complete, the FAA RO/ADO will offer the airport sponsor a grant for the announced project. This offer may be provided through postal mail or by electronic means. Once this offer is signed by the airport sponsor, it becomes a grant agreement. Awards made under this program are subject to conditions and assurances in the grant agreement.

2. Administrative and National Policy Requirements

a. Pre-Award Authority

Under 49 U.S.C. 47110(b)(2), all project costs must be incurred after the grant execution date unless specifically permitted under the AIP statutes. Table 3-60 of the AIP Handbook lists the rules regarding when project costs can be incurred in relation to the grant execution date, the type of funding, and the type of project. Certain airport development costs incurred before execution of the grant agreement are allowable, but only if certain conditions under 49 U.S.C. 47110(b)(2)(D) and Table 3-60 of the AIP Handbook are met.

b. Grant Requirements

All grant recipients are subject to the grant requirements of the AIP, including the grant assurances, found in 49 U.S.C. chapter 471. Grant recipients are subject to requirements in the FAA's *AIP Grant Agreement* for financial assistance awards; the annual Certifications and Assurances required of applicants; and any additional applicable statutory or regulatory requirements, including nondiscrimination requirements and 2 CFR part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*. Grant requirements include, but are not limited to, approved projects on an airport layout plan, and compliance with Federal civil rights laws, Buy American requirements under 49 U.S.C. 50101, the *Department of Transportation's Disadvantaged Business Enterprise (DBE) Program* regulations for airports (49 CFR part 23 and 49 CFR part 26), Build America, Buy America requirements in sections 70912(6) and 70914 in Public Law 117-58, the Infrastructure Investment and Jobs Act, and prevailing wage rate requirements under the Davis-Bacon Act, as amended (40 U.S.C. 276a-276a-5, and reenacted at 40 U.S.C. 3141-3144, 3146, and 3147).

Domestic Preference Requirements: As expressed in E.O. 14005, “*Ensuring the Future Is Made in All of America by All of America’s Workers*” (86 FR 7475), it is the policy of the executive branch to maximize, consistent with law, the use of goods, products, and materials produced in, and services offered in, the United States. FAA expects all applicants to comply with that requirement without needing a waiver. However, to obtain a waiver, a recipient must be prepared to demonstrate how they will maximize the use of domestic goods, products, and materials in constructing their project.

Civil Rights and Title VI: Recipients of Federal transportation funding will be required to comply fully with Title VI of the Civil Rights Act of 1964 and implement regulations, the Americans with Disabilities Act, section 504 of the Rehabilitation Act of 1973, and all other civil rights requirements. FAA’s Office of Civil Rights will be providing resources and technical assistance to ensure full and sustainable compliance with Federal civil rights requirements.

Critical Infrastructure Security and Resilience: It is the policy of the United States to strengthen the security and resilience of its critical infrastructure against both physical and cyber threats. Each applicant selected for Federal funding under this notice must demonstrate, prior to the signing of the grant agreement, effort to consider and address physical and cybersecurity risks relevant to the transportation mode and type and scale of the project. Projects that have not appropriately considered and addressed physical and cybersecurity and resilience in their planning, design, and project oversight, as determined by the Department and the Department of Homeland Security, will be required to do so before receiving funds for construction, consistent with Presidential Policy Directive 21 - Critical Infrastructure Security and Resilience and the National Security Presidential Memorandum on Improving Cybersecurity for Critical Infrastructure Control Systems.

Performance and Program Evaluation: As a condition of grant award, grant recipients may be required to participate in an evaluation undertaken by FAA. The evaluation may take different forms, such as an implementation assessment across grant recipients, an impact and/or outcomes analysis of all or selected sites within or across grant recipients, or a benefit/cost analysis or assessment of return on investment. FAA may require applicants to collect data elements to aid the evaluation. As a part of the evaluation, as a condition of award, grant recipients must agree to: (1) make records available to the evaluation contractor or FAA staff; (2) provide access to program records and any other relevant documents to calculate costs and benefits; (3) in the case of an impact analysis, facilitate the access to relevant information as requested; and (4) follow evaluation procedures as specified by the evaluation contractor or FAA staff. Requested program records or information will be consistent with record requirements outlined in 2 CFR 200.334-338 and the grant agreement.

c. Standard Assurances

Each grant recipient must assure that it will comply with all applicable Federal statutes, regulations, executive orders, directives, FAA circulars, and other Federal administrative requirements in carrying out any project supported by the supplemental discretionary grant. The grant recipient must acknowledge that it is under a continuing obligation to comply with the terms and conditions of the grant agreement issued for its project with the FAA. The grant recipient understands that Federal laws, regulations, policies, and administrative practices might be modified from time to time and may affect the implementation of the project. The grant

recipient must agree that the most recent Federal requirements will apply to the project unless FAA issues a written determination otherwise.

As referenced under section F.2.b, Grant Requirements, the grant recipient must submit the Certifications at the time of grant application, and Assurances must be accepted as part of the grant agreement at the time of accepting a grant offer. Grant recipients must also comply with the requirements of 2 CFR part 200, which “are applicable to all costs related to Federal awards” and which are cited in the grant assurances of the grant agreements. The Airport Sponsor Assurances are available on the FAA website at: https://www.faa.gov/airports/aip/grant_assurances.

3. Reporting

Grant recipients are subject to financial reporting per 2 CFR 200.328 and performance reporting per 2 CFR 200.329. Under the supplemental discretionary grant program, the grant recipient is required to comply with all Federal financial reporting requirements and payment requirements, including the submittal of timely and accurate reports. Financial and performance reporting requirements are available in the FAA October 2020 Airport Improvement Program (AIP) Grant Payment and Sponsor Financial Reporting Policy, which is available at https://www.faa.gov/sites/faa.gov/files/airports/aip/grant_payments/aip-grant-payment-policy.pdf. The grant recipient must comply with annual audit reporting requirements. The grant recipient and sub-recipients, if applicable, must comply with 2 CFR part 200, subpart F, Audit Reporting Requirements. The grant recipient must comply with any requirements outlined in 2 CFR part 180, *Office of Management and Budget (OMB) Guidelines to Agencies on Governmentwide Debarment and Suspension (Nonprocurement)*.

G. Federal Awarding Agency Contact(s)

For further information concerning this notice, please contact your local Regional Office or District Office. Contact information is available at <https://www.faa.gov/airports/regions/>. For technical questions regarding specific energy and environmental sustainability programs described in this NOFO, please contact:

- a. VALE and ZEV – Michael Lamprecht, michael.lamprecht@faa.gov or 202-267-6496;
- b. Airport Sustainability Program – Alan Strasser, alan.strasser@faa.gov or 202 267-7630;
- c. Energy Efficiency of Airport Power Supply; and Energy Supply, Redundancy and Microgrids – Alan Strasser, alan.strasser@faa.gov or 202 267-7630.

To ensure applicants receive accurate information about eligibility for the program, the applicant is encouraged to contact FAA directly, rather than through intermediaries or third parties, with questions. All applicants, including those requesting full Federal share of eligible projects costs, should have a plan to address potential cost overruns as part of an overall funding plan.

Issued in Washington, DC on December 22, 2022.

Juan C Brown,

Acting Director, Office of Airport Planning and Programming.